



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND
FORT MCPHERSON, GEORGIA 30330-6000

REPLY TO
AFLG-PR ATTENTION OF

21 May 1999

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 99-25

1. This CIL contains information on the following subjects:
 - a. Reinstatement of the Acquisition Fulfillment Program and
 - b. Issuance of Draft Request for Proposals (DRFP).
2. Reinstatement of the Acquisition Fulfillment Program.

a. The DOD "Acquisition Career Management Mandatory Course Fulfillment Program and Competency Standards" has been reinstated. Procedures to request, review, and approve fulfillment actions can be found on the internet at <http://www.acq.osd.mil/dau/othrdocs.html> under Defense Acquisition Workforce Improvement Act documents. It is entitled "DAWIA Course Fulfillment Guide, dated April, 1999."

NOTE: IT IS THE POLICY OF THE DIRECTOR OF ACQUISITION CAREER MANAGEMENT WITHIN THE ARMY THAT YOU CANNOT BE GRANTED FULFILLMENT OF A COURSE REQUIRED FOR LEVEL III CERTIFICATION (I.E., TST 301, SYS 301, CON 301, CON 333, ETC.)

b. The fulfillment program enables members of the acquisition workforce to receive credit for mandatory Defense Acquisition University (DAU) courses for which they are able to demonstrate competency through experience, education, and/or alternative training (unless it is a course required for Level III Certification). Reviewing officials should preferably be certified in the acquisition functional area being reviewed and at the same level as the course for which the documentation is being evaluated. Course graduates are preferred.

c. Documenting course competencies - individuals must complete and submit Section 1 of DD Form 2518 (Fulfillment of DoD Mandatory Training Requirements) and the Competencies Employee Self-Assessment document to his/her immediate supervisor for review. If you obtain fulfillment in any DAU course and you wish that course to be reflected on your ACRB, you must send a copy of the approved DD Form 2518 along with your request.

AFLG-PR

SUBJECT: Contracting Information letter (CIL) 99-25

d. Fulfillment Reviews- Individuals must satisfactorily meet all competencies for the course to qualify for fulfillment credit for that course. In most cases, the reviewing official is the first-level supervisor. The reviewing official should be certified in the functional area (acquisition career field) and at the same level (I, II and/or III) as the course being reviewed.

e. For additional information, please contact Clyde Thomas at DSN 367-6372 or email thomasw@forscom.army.mil.

3. Issuance of Draft Request for Proposals (DRFP).

a. Reference the Federal Acquisition Regulation (FAR) 15.201, Exchange with Industry before receipt of proposal.

b. This CIL provides FORSCOM guidance relative to the use of DRFPs. It is the policy of the Army that DRFPs will be used as a normal part of acquisition strategy for complex and/or high dollar value acquisitions. The FORSCOM supplemental guidelines for compliance with this requirement are shown in the attached modification to the FORSCOM Federal Acquisition Regulation Supplement (FFARS), dated April 1999. Please replace PART 15 of the FFARS with the enclosed pages.

c. Substantial increase in new or reconfigured contract requirements due to Commercial Activities (CA), Regionalization and Master contracts, and Commercial Items will require that we engage in early exchange of information with industry. DRFPs are required for any acquisition where there is need to promote competition, shorten lead-time, reduce costs, identify ambiguous or erroneous language, unnecessary requirements, and overly complex or restrictive elements.

AFLG-PR

SUBJECT: Contracting Information Letter (CIL) 99-25

d. For additional information please contact Julie Grace,
DSN 367-5690 or email gracej@forscom.army.mil.



Encl
as

TONI M. GAINES
Chief, Contracting
Division, DCSLOG
Principal Assistant Responsible
for Contracting

DISTRIBUTION:

COMMANDERS,
III CORPS & FT HOOD, ATTN: AFZF-DOC
XVIII ABN CORPS & FT BRAGG, ATTN: AFZA-DC
FT RILEY, ATTN: AFZN-DOC
FT CARSON, ATTN: AFZC-DOC
JRTC & FT POLK, ATTN: AFZX-DOC
I CORPS & FT LEWIS, P.O. BOX 33931, ATTN: AFZH-DOC
3RD INF DIV (MECH) & FT STEWART, ATTN: AFZP-DC
101ST ABN DIV (AASLT) & FT CAMPBELL, ATTN: AFZB-DOC
FT DEVENS, ATTN: AFRC-FMD-DOC
FT DIX, ATTN: AFZT-DOC
10TH MTN DIV, FT DRUM, ATTN: AFZS-DOC
FT MCCOY, ATTN: AFRC-FM-DC
NATIONAL TRAINING CENTER & FT IRWIN, ATTN: AFZJ-DC
ARMY ATLANTA CONTRACTING CENTER, ATTN: AFLG-PRC

FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT

PART 15 - CONTRACTING BY NEGOTIATION

TABLE OF CONTENTS

SUBPART 15.2 - SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

15.201 Exchange with industry before receipt of proposals.

SUBPART 15.3 - SOURCE SELECTION

15.303 Responsibilities.

SUBPART 15.4 - CONTRACT PRICING

15.406-1 Prenegotiation objectives memorandum (POM)/15.406-3
Price negotiation memorandum (PNM).

15.490 Follow-up on contract audit reports.

15.490-3 Reporting.

15.490-4 Overage Audit Review Boards.

SUBPART 15.6 - UNSOLICITED PROPOSALS

15.606 Agency Procedures.

FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT

PART 15 - CONTRACTING BY NEGOTIATION

SUBPART 15.2 - SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

15.201 Exchange with Industry before receipt of proposals.

(100) Contracting officers shall, as a minimum, issue draft requests for proposals (DRFPs) for all new or substantially reconfigured competitively negotiated acquisitions involving first time Commercial Activities studies, regional/master contracts that exceed \$1,000,000 and commercial item acquisitions expected to exceed \$5,000,000 (including all options). The PARC may waive the requirement for a DRFP upon written determination that the expected benefits will not be realized given the nature of the supply or service being acquired. The DRFP will not be waived because of poor or inadequate planning.

(101) DRFPs should encourage comments from potential offerors on all aspects of the draft solicitation, including the requirements, schedules, proposal instructions, and evaluation approaches. Potential offerors should be specifically requested to identify commercial practices and unnecessary or inefficient requirements.

(102) Contracting officers shall plan the acquisition schedule to include adequate time for issuance of the DRFP, potential offeror review and comment and government evaluation and disposition of the comments. Strive, where feasible, to provide the draft PWS and all available workload exhibits for comment when time constraints do not allow for issuance of a complete solicitation draft.

(103) When issuing DRFPs, potential offerors should be advised that the DRFP is not a solicitation and the government is not requesting proposals.

(104) Whenever feasible, contracting officers should include a summary of the disposition of significant DRFP comments with the final RFP.

FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT

PART 15 - CONTRACTING BY NEGOTIATION

SUBPART 15.3 - SOURCE SELECTION

15.303 Responsibilities.

(a) Formal source selection procedures shall be used for all competitively negotiated acquisitions where the source selection authority is other than the contracting officer. Any solicitation, regardless of dollar value, that requires formal source selection shall be forwarded in three copies to HQ FORSCOM, Attn: AFLG-PR for review and approval at least 30 days before anticipated issuance to industry.

(100) Formal source selection is appropriate for the following requirements:

- (a) Multi-function Commercial Activities (CA).
- (b) Technically Complex Requirements.
- (c) Base Operations/Operation and Management of Major Service Requirements.

(101) Requests for source selection training, provided by the PARC Office, shall be submitted as soon as the need is identified. Once the decision is made to use formal source selection, the need for a Source Selection Advisory Council (SSAC) and Source Selection training will be discussed with the PARC on a case-by-case basis.

(102) FORSCOM installations are responsible for providing the staffing for formal source selection organizations within their current manpower requirements and allocations. When support or assistance from the Headquarters is needed, follow procedures at (S-103) and (S-104) below.

(103) Requests for assistance should be submitted to HQ FORSCOM, Attn: AFLG-PR for validation at least 60 days before the support is required. Each request shall include the following information:

- (a) Name and location of supported function.
- (b) Inclusive dates of support and required reporting dates.
- (c) Quantity of personnel and equipment.
- (d) Necessary special instructions.
- (e) Justification.

(104) Installation Commanders have delegated authority to appoint Source Selection Authorities in Formal Source Selection Activities.

(105) For Army Atlanta Contracting Center and supported tenant activities where there is no "Installation Commander", the FORSCOM Commander/HCA shall appoint any Source Selection Authority in the comparative position of "Installation

FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT

Commander".

SUBPART 15.4 - CONTRACT PRICING

15.406-1 Prenegotiation objectives memorandum (POM)/15.406-3 Price negotiation memorandum (PNM).

(a) The POM and PNM shall be prepared in accordance with locally established procedures for all actions approved at the DOC level. POM and PNM documents requiring PARC approval shall follow the format prescribed at Appendix FFF. The requirements of FAR/DFARS 15.406-1 and 15.406-3 must be fully satisfied by the POM and PNM regardless of approval level.

(b) The POM/PNM shall be approved at a level higher than that of the individual assigned to the negotiation. You are encouraged to establish review boards composed of senior acquisition management, contracting, legal and contract pricing personnel for the purpose of reviewing your most critical POM/PNM documents. As a minimum, POM/PNM documents requiring PARC approval shall be subject to review by a board consisting of the following members:

(1) Contract Specialist/Procurement Analyst (cannot be the Contracting Officer or the individual responsible for the preparation of the documents under review).

(2) Installation SJA.

(3) Cost/Price Analyst.

(4) Technical Activity.

(c) When no discussions/negotiations are to be conducted, a combined POM/PNM shall be developed to satisfy requirements at FAR and DFARS 15.406-1/15.406-3 to document how the contracting officer determined the offeror's ability to perform at a fair and reasonable price. The POM/PNM shall be approved prior to award.

(d) A POM/PNM is required for the following contract actions. The documentation shall be retained in the contract file.

(1) All negotiated contract actions.

(2) Forward Pricing Rate Agreements (FPRAs) and final indirect cost rates negotiated by Army Contracting Offices.

(3) Small and disadvantaged business set-asides. The contracting officer's determination of the fair market price (FAR 19.202-6) shall be documented in a POM/PNM.

(4) All contract audits requiring resolution and disposition in accordance with DOD Directive 7640.2.

(5) Modifications which would effect an equitable adjustment to the contract.

(6) Advance agreements on particular cost item.

(7) All undefinitized contract actions prior to definitization.

CIL 99-25

FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT

(e) The PARC shall approve:

(1) All proposed actions, regardless of dollar value, that use formal source selection procedures.

(2) All proposed actions of \$500,000 or more for the following installations: McCoy, and Dix.

(3) All proposed fixed price actions of \$1,000,000 or more; all actions for other than fixed price over \$500,000, to include time and materials and labor-hour contracts, for the following installations: Campbell, Carson, Irwin, Drum, Polk, Riley and Stewart.

(4) All proposed fixed price actions of \$5,000,000 or more; all actions for other than fixed price over \$3,000,000, to include time and materials and labor-hour contracts, for the following installations: Bragg, Hood, Lewis, and Army Atlanta Contracting Center.

(f) Approval Levels.

(1) The dollar value of a POM/PNM for purposes of determining approval level shall be based on the total value of the individual contract action, including priced options; the target price for incentive contracts; and the sum of the cost and base fee for Cost Plus Award Fee (CPAF) contracts.

(2) For contract modifications which effect an equitable adjustment to a contract, the threshold is the value of the equitable adjustment (regardless if increase or decrease) and not the total value of the contract.

(3) In a competitive environment, the approval level will be determined by using the highest proposed cost within the competitive range. If a government objective is developed for each offeror's proposal, the "total value" is the highest government objective. In a sole source environment the "total value" is based on the government objective.

(g) All POM/PNM packages submitted for PARC approval shall include the original plus two complete copies and shall contain review board approval/comments, the Contracting Officer's response/corrective action, and any other necessary support documentation. The POM/PNM shall be accompanied by pertinent sections of the solicitation including Section L, Section M, special clauses or provisions determined necessary to support the POM position, and the source selection evaluation plan (SSEP). The PNM shall be accompanied by the approved POM (without original POM attachments) along with any other necessary supporting documentation.

(h) A minimum of 20 calendar days from the date of mailing shall be allowed for approval of the POM and 10 calendar days for the PNM.

(i) When PARC PNM approval is waived, a copy of the PNM will be forwarded to the PARC office within 15 calendar days after award. A PNM waiver may be granted when the final

FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT

negotiated agreement is within the limitation prescribed in the POM and there has not been a material change to the terms, conditions, or assumptions under which the POM objective was developed.

(j) When a procurement situation will not permit normal process of the POM/PNM to the PARC for approval, the PARC may delegate POM/PNM approval authority to the DOC. The following procedures are applicable:

(1) The DOC will telephonically advise the PARC of the circumstances of the procurement to include the type of supply/service, estimated dollar value, and a brief explanation of urgency.

(2) For actions processed under this exception, the approved POM/PNM will be forwarded to the office of the PARC within 15 working days after date of award.

(k) The POM/PNM may be approved, disapproved, or approved with conditions which must be met prior to award. Offerors shall not be notified either directly or indirectly as to whether their proposal has been determined to be within or outside the competitive range until the POM has been approved.

(l) Format and content for POM/PNM requiring PARC approval is provided at Appendix FFF. Those elements within the format which are not pertinent to a particular contract action should be marked "not applicable". The level of detail contained in the POM/PNM should reflect the complexity and dollar value of the procurement.

15.490 Follow-up on contract audit reports.

15.490-3 Reporting.

(a) Status Report on Specified Contract Audit Reports (RCS: DD-IG(SA) 1580) shall be submitted to HQ FORSCOM, Attn: AFLG-PR, and must arrive not later than 5 calendar days after the end of March and September of each year.

15.490-4 Overage Audit Review Boards.

(a) Overage Audit Review Board shall review all audits reported on the Status Report on Specified Contract Audit Reports that are unresolved over six (6) months old, or open resolved or unresolved over twelve (12) months old.

(b) The contracting officer shall submit to the Board a plan of action for resolution and disposition of reported audit(s). The plan shall include the auditor's position, the contracting officer's position, and any areas of disagreement. A copy of the audit report shall also be submitted.

(S-100) The Board may call the contracting officer to appear in person or by videoteleconference if circumstances warrant.

FORSCOM FEDERAL ACQUISITION REGULATION SUPPLEMENT

SUBPART 15.6 - UNSOLICITED PROPOSALS

15.606 Agency Procedures

(a) Each DOC shall establish procedures for controlling the receipt, evaluation, and timely disposition of unsolicited proposals IAW FAR 15.6.